



# USET

SOVEREIGNTY PROTECTION FUND

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*Transmitted Electronically*

August 18, 2025

Jerome H. Powell  
Chair  
Board of Governors of the Federal Reserve System  
20th Street and Constitution Ave. NW,  
Washington, DC 20551

**RE: USET SPF Comments in Response to the Inter-Agency Notice of Proposed Rulemaking to Rescind the 2024 Community Reinvestment Act Regulations, Docket ID No. OCC-2025-0005**

Dear Chair Powell,

On behalf of the United South and Eastern Tribes Sovereignty Protection Fund (USET SPF), we submit these comments in response to the Notice of Proposed Rulemaking (NPRM) by the Office of the Comptroller of the Currency, Federal Reserve System, and the Federal Deposit Insurance Corporation (“the Agencies”) to rescind the February 1, 2024 Final Rule (2024 Final Rule) that modernized regulations for the Community Reinvestment Act (CRA). While this NPRM replaces the CRA regulations with those that became effective on March 29, 2024—with certain conforming and technical amendments—the proposed rescission of rest of the 2024 Final Rule removes critical and long overdue modernizations to the CRA that supported banking opportunities and access for Tribal citizens on Tribal lands, as well as in unbanked and underbanked communities. USET SPF was active throughout several iterations of the CRA’s modernization and we were pleased that the Agencies adopted several important amendments in fulfillment of trust and treaty obligations to support economic development in Indian Country. Therefore, we strongly oppose the Agencies’ NPRM to rescind parts of the 2024 Final Rule for the CRA, which would undo the significant progress made to improve banking services in and for Indian Country.

USET SPF is a non-profit, inter-tribal organization advocating on behalf of thirty-three (33) federally recognized Tribal Nations from the Northeastern Woodlands to the Everglades and across the Gulf of Mexico.<sup>1</sup> USET SPF is dedicated to promoting, protecting, and advancing the inherent sovereign rights and authorities of Tribal Nations and in assisting its membership in dealing effectively with public policy issues.

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<sup>1</sup> USET SPF member Tribal Nations include: Alabama-Coushatta Tribe of Texas (TX), Catawba Indian Nation (SC), Cayuga Nation (NY), Chickahominy Indian Tribe (VA), Chickahominy Indian Tribe—Eastern Division (VA), Chitimacha Tribe of Louisiana (LA), Coushatta Tribe of Louisiana (LA), Eastern Band of Cherokee Indians (NC), Houlton Band of Maliseet Indians (ME), Jena Band of Choctaw Indians (LA), Mashantucket Pequot Indian Tribe (CT), Mashpee Wampanoag Tribe (MA), Miccosukee Tribe of Indians of Florida (FL), Mi’kmaq Nation (ME), Mississippi Band of Choctaw Indians (MS), Mohegan Tribe of Indians of Connecticut (CT), Monacan Indian Nation (VA), Nansemond Indian Nation (VA), Narragansett Indian Tribe (RI), Oneida Indian Nation (NY), Pamunkey Indian Tribe (VA), Passamaquoddy Tribe at Indian Township (ME), Passamaquoddy Tribe at Pleasant Point (ME), Penobscot Indian Nation (ME), Poarch Band of Creek Indians (AL), Rappahannock Tribe (VA), Saint Regis Mohawk Tribe (NY), Seminole Tribe of Florida (FL), Seneca Nation of Indians (NY), Shinnecock Indian Nation (NY), Tunica-Biloxi Tribe of Louisiana (LA), Upper Mattaponi Tribe (VA) and the Wampanoag Tribe of Gay Head (Aquinnah) (MA).

## **The 2024 Final Rule Made Critical Regulatory Amendments to the CRA to Address the Banking and Access to Capital Issues Prevalent in Indian Country**

Access to private capital has consistently remained a barrier for economic development in Indian Country. Therefore, it is critically important to craft and retain federal policies that incentivize direct investment into our communities as a step toward increasing community revitalization, and building and rebuilding essential community facilities and infrastructure. In recognition of trust and treaty obligations, we remind the Agencies that they must adopt and retain regulations that hold banking institutions accountable for the use of lending and financing practices that deter Tribal Nations and individual Tribal citizens from seeking financial services or lock them into unfair, high-percentage payment contracts. The proposed rescission of parts of the 2024 Final Rule will curb the modernization efforts of recent years to support investment in Indian Country and address the unbanked and underbanked issues experienced by Tribal citizens and communities.

USET SPF firmly reminds the Agencies that Congress passed the CRA in 1977 to encourage banking institutions to serve the credit needs of the communities in which they operate, specifically low- and moderate-income (LMI) areas and populations. The CRA also aimed to curb discriminatory credit and lending practices against these populations, a practice commonly known as “redlining.” With many Tribal communities located in some of the most impoverished areas of the country, and with a substantial percentage of our population deemed to be LMI, the CRA should have significantly enhanced the ability of Tribal Nations, our enterprises, Native-owned small businesses, and Native consumers to access capital and credit through CRA-qualifying banking institutions. However, prior to the modernization efforts of the 2024 Final Rule, the CRA failed to compel or effectively incentivize banking institutions’ investment in Indian Country.

In recognition of this failure, between 2020 and 2022 the Agencies initiated several rulemakings to update the CRA regulations, which included amendments to specifically address the unique banking and access to capital issues affecting Tribal Nations, Tribal lands and Tribal citizens. USET SPF initially submitted [comments](#) on March 9, 2020 to the Department of the Treasury’s Office of the Comptroller expressing our support for initiating a regulatory proceeding to update the CRA regulations, which recognized the unbanked and under banking issues prevalent in Indian Country. We submitted follow-up [comments](#) on February 16, 2021 to the Board of Governors of the Federal Reserve System expressing our support for the Federal Reserve’s expressed interest to address the financial shortfalls of capital access and investment in Indian Country. Finally, on August 5, 2022, we submitted [comments](#) on a Joint NPRM to the Agencies to amend the CRA, in which USET SPF expressed support for proposals to define Native Land Areas, qualifying community development activities on Native Land Areas, and guidance for reviewing the impact of community development activities by banking institutions.

In the 2024 Final Rule, the Agencies adopted the definition of Native Land Areas to include Indian country (as defined under [18 U.S.C. 1151](#)), lands held in trust by the United States for Native Americans (as defined under [38 U.S.C. 3765\(1\)\(A\)](#)), Tribal Designated Statistical Areas, and American Indian Joint-Use Areas, among others. The designation of these Native Land Areas was meant to incentivize banks to invest in community development activities related to revitalization, essential community facilities, essential community infrastructure, and disaster preparedness, all of which have seen chronic federal underfunding and underinvestment over decades and centuries. Under this new definition banks would be incentivized to invest in Native Land Areas by becoming eligible to receive CRA credit for these activities. Further, in the 2024 Final Rule, the Agencies adopted a definition for qualified community development activities eligible for CRA credit in Native Land Areas. The definition included revitalization and stabilization activities and the

construction of essential community facilities and essential community infrastructure in Native Land Areas to benefit or serve LMI residents. Adoption of these definitions sought to address persistent banking and access to capital issues that have affected Tribal lands and Tribal citizens in economically distressed areas.

It is unfortunate, that after over five years of working to modernize CRA regulations to support investment and banking in Indian Country, the Agencies are now proposing to rescind these advancements. USET SPF strongly urges the Agencies to retain the 2024 Final Rule regulations that defined Native Land Areas and modernized how CRA activities qualify for consideration, what CRA activities should be considered, and how CRA activities are evaluated in Indian Country. Instead of regressing to outdated CRA regulations that did little to nothing to support investment and banking opportunities in Indian Country, we urge the Agencies to retain the critical revisions adopted in support of Tribal Nations and citizens in the 2024 Final Rule in accordance with trust and treaty obligations, and our political, Nation-to-Nation relationship with the United States.

### **Conclusion**

The federal government has repeatedly failed to uphold its trust and treaty obligations to support our economic sovereignty, which has prevented Tribal Nations from accessing vital finance and credit opportunities offered by banking institutions for the purposes of Nation building and rebuilding and community development. These failures have also affected the banking and finance opportunities available to our Tribal citizens, which has made it difficult for generational wealth to accumulate within our communities. The 2024 Final Rule sought to update the CRA to incentivize banking institutions to invest directly into our communities and support community revitalization efforts. However, the Agencies' proposal to rescind parts of the 2024 Final Rule that directly benefit Indian Country is counterproductive to addressing the longstanding banking and access to capital issues that have persisted across Indian Country.

USET SPF urges the Agencies to reconsider rescinding the definition of Native Land Areas and the qualifying community development activities in these areas that were adopted in the 2024 Final Rule. Rescinding these regulations will undo years of coordinated efforts between Tribal Nations and the Agencies to address banking and access to capital issues that have persisted on Tribal lands. Moving forward, the Agencies must adopt and retain regulations that promote economic development and access to capital in Indian Country. These actions will support our inherent Tribal sovereignty and self-determination to pursue building and rebuilding our Tribal economies. Further, these actions will assist this Administration in achieving its stated goal of strengthening economic development across Indian Country. Strong Tribal Nation economies directly equate to a stronger United States. Should you have any questions or require further information, please contact Ms. Liz Malerba, USET SPF Director of Policy and Legislative Affairs, at [LMalerba@usetinc.org](mailto:LMalerba@usetinc.org) or 615-838-5906.

Sincerely,



Chief Kirk Francis  
President



Kitcki A. Carroll  
Executive Director